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County of Los Angeles • Fire Department
Prevention Bureau
Hazardous Waste Control Program

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REPORT OF INVESTIGATION SUMMARY

<i>Name of Suspect(s)/Defendant(s)/AKA(s)</i> Pemaco Inc. Lux Chemical International Lawrence Sze, President John Hsu, Vice President	<i>Date</i> September 25, 1992
	<i>Date of Investigation</i> May 28, 1992
	<i>Log#</i> 921091-064
	<i>Investigating Officer(s)</i> Paul Biren James McCarron
<i>Business Address</i> 5050 Slauson Avenue, Maywood, Calif. 90270	<i>Phone</i> (213) 890-4067
<i>Location of Violation(s)</i> 5050 Slauson Avenue, Maywood, Calif. 90270	
<i>Business Structure and Description</i> California Corporation	
<i>Service or Product Produced</i> Chemical Blending	
<i>Charging Section</i> California Health and Safety Code, Sections 25189.5(b), 25189.6, 25190	
<i>Summary of Violation(s)</i> Said defendants did knowingly and unlawfully store and illegally dispose hazardous waste at the above location	
<i>Type of Waste</i> flammable liquids, chlorinated solvents, laboratory reagents and waste oils	
<i>Defendant(s) Previous Record</i> unknown	
<i>Reviewed By</i> 	<i>Date</i> 10-8-92

AGENCY WITNESS LIST

Paul Biren, Hazardous Materials Specialist
Tim Naprawa, Hazardous Materials Specialist
James McCarron, Hazardous Materials Specialist
Peter Torres, Hazardous Materials Specialist
Stan Townsend, Hazardous Materials Specialist
Martin Kasman, Hazardous Materials Specialist
Annette Lopez, Hazardous Materials Specialist
Jerry Munoz, Hazardous Materials Specialist

Los Angeles County Fire Department
Prevention Bureau
Hazardous Waste Control Program
5825 Rickenbacker Road
Commerce, CA 90007
(213) 890-4045

Rod Vahoviak, Senior Investigator
Edward Saxton, Senior Investigator

Los Angeles County District Attorney's Office
Environmental Crimes/OSHA Division
320 West Temple #345
Los Angeles, CA 90012
(213) 974-5907

William King, Senior Code Enforcement Officer
City of Maywood ,Building Department
4319 E. Slauson Ave.
Maywood, Ca. 90270
(213) 562-5011

Steve Carr, Senior Chemist

Los Angeles County Sanitation District
1955 Workman Mill Rd.
Whittier, CA 90607
(213) 699-7411

WITNESS LIST

Jesse Howard

Res: 707 E 105th St
Los Angeles, 90002
(213) 418-1256

Bus: Copeland Income Tax Service
10017 S San Pedro St.
Los Angeles, 90003

CA DL#: N5055359

DOB: 3-11-51

Sex: male

Hair: black

Eyes: brown

Height: 6'1

Weight: 140lb

Keith Moore

Res: unknown

Bus: KB Products Area Director
P.O Box 1712
(818) 359-7570

CA DL#: unknown

DOB: unknown

Sex: male

Hair: brown

Eyes: unknown

Height: 6'0

Weight: 190lb

WITNESS LIST

Robert Lo

Res: 1410 New Ave, San Gabriel 91776
San Gabriel 91776
(818) 240-1713
Bus: RSL Business Services
1410 New Ave, Unit B
(818) 289-3468

CA DL#: N0231829

DOB: 7-8-45

Sex: male

Hair: black

Eyes: brown

Height: 5'8

Weight: 150lb

Ed McGlothlin

Res: unknown

Bus: Consolidated Waste Industries, Inc.
10680 Silicon Ave, Montclair, Ca. 91763-4621
(714) 482-2257 (213) 946-8431

CA DL#: unknown

DOB: unknown

Sex: male

Hair: black

Eyes: unknown

Height: 6'1

Weight: unknown

**COUNTY OF LOS ANGELES • FIRE DEPARTMENT
PREVENTION BUREAU
HAZARDOUS WASTE CONTROL PROGRAM
INVESTIGATIVE SECTION**

REPORT OF INVESTIGATION

REPORT PREPARED BY / INITIALS	DATE	LOG NUMBER
Paul Biren HMS II	September 25, 1992	921691-063
SUSPECT NAME / ADDRESS	DATE OF INVESTIGATION	
PEMACO 5050 Slauson Blvd. Maywood, Calif. 90270	May 28, 1992	

On May 28, 1992 the Los Angeles County Fire Department, Hazardous Waste Control Program (HWCP) received a complaint from the City of Maywood Code Enforcement Division, regarding an abandoned chemical company. Code enforcement Officer William King stated hundreds of 55-gallon drums were abandoned at Pemaco Products Inc, located at 5050 Slauson Avenue, Maywood, CA 90270. Officer King also stated children and homeless people were seen on the premises.

At approximately 1100 hrs on May 28, 1992 Deputy Health Officers Annette Lopez and Mike Lohnes of the Emergency Operations Section responded to the complaint. When Lopez and Lohnes arrived at the facility, they observed approximately four hundred (400) 55-gallon drums, most of the drums were in poor condition, open, overflowing and unlabeled. The health officers determined that conditions at the Pemaco facility presented an imminent hazard to the community. From city records, Lopez determined the responsible party to be Lux Chemical International Inc. Lopez telephoned Lux Chemical International and spoke with John Hsu the Vice president/ Controller of Lux Chemical International Inc. Lopez explained the seriousness of the situation to John Hsu and requested John Hsu initiate immediate cleanup procedures and to post a 24 hr security guard until the emergency situation has been stabilized. At approximately 1630 hrs, Paul Biren of the HWCP Investigative Section arrived at the scene and was briefed by Lopez on the situation. At 1730 hrs, Biren had Deputy Health Officer Issac Mathov fax a Notice of Violation to John Hsu outlying the violations that exist at the Pemaco facility (see attached). Lopez and Lohnes stayed at the site until the security guard arrived at 2030 hrs.

On May 29, 1992 Biren telephoned John Hsu to follow up on the Notice of Violation that was faxed the previous day. Hsu stated he received the Notice of Violation and Biren continued by explaining the violations at the Pemaco facility and the seriousness of the problem. John Hsu told Biren Lux Chemical International Inc. hired Containerized Chemical Inc, a registered hazardous waste hauler, to stabilize the emergency situation. Hsu then gave Biren consent to take photographs and samples of the chemicals that were being stored at the site.

At 0900 hrs on May 29, 1992, Deputy Health Officers Biren and James McCarron arrived at the Pemaco facility. Lopez and Alfonso Berumen were at the site with representatives from Containerized Chemical Inc. The Senior chemist and a chemical engineer (Ed McGlothlin) from Containerized Chemical were in the process of identifying approximately three hundred laboratory chemicals that were found in the warehouse. The chemists identified certain chemicals as being extremely toxic, explosive, reactive and radioactive, which presented a substantial hazard and needed to be stabilized immediately. Representatives from Containerized Chemical attempted to contact John Hsu of Lux Chemical International to repackage and legally dispose the dangerous laboratory chemicals. Containerized Chemical could not secure funds from John Hsu to stabilize and remove the chemicals, therefore in the interest of community safety, the chemists repackaged and lab packed the most dangerous and toxic chemicals. When the chemists completed stabilization of the chemicals, they properly labeled the containers and left the chemicals in the warehouse.

When the chemists were stabilizing the chemicals, Biren and McCarron proceeded to take samples and photographs of the facility. The officers took four samples from the 55-gallon drums in the storage yard and one sample from a container in the warehouse. The chemist from Containerized Chemical Inc., identified the sample from the warehouse as possibility being nitric acid, from field tests they conducted.

While the chemists were stabilizing the emergency situation, Lopez was in phone contact with John Hsu regarding removal of the laboratory chemicals and the four (400) hundred drums that are being stored at the facility. Hsu stated he is in the process of taking bids to do the cleanup. During the duration of the emergency removal action John Hsu sent four environmental contractors to evaluate the problem and provide bids for the cleanup. (Certified Environmental Transport, Haspak Inc, Environmental Dynamics, Containerized Chemical).

On June 25, 1992 an administrative hearing was held regarding the noncompliance of Lux Chemical International to cleanup the Pemaco facility. Present at the hearing were John Hsu (Chung Yuan Hsu), representing Lux Chemical International Inc., Biren and Samir Ibrahim HMS III from the HWCP Emergency Operations Section. John Hsu stated Pemaco went out of business in 1991 and Lux Chemical International Inc was the parent corporation. John Hsu stated Lawrence Sze is the owner of Lux Chemical International Inc. and owns the property at the Pemaco facility. Hsu then stated he will take the appropriate measures to cleanup the facility as soon as possible. A second hearing was scheduled for July 22, 1992 so that Hsu could present his proposal and remediation plan to the Hazardous Waste Control Program.

On July 22, 1992 a second administrative hearing was held at the HWCP headquarters. Present at the hearing was Robert Lo, consultant for Lux Chemical International Inc., Paul Biren, Jerry Munoz and Richard Gillaspay from the HWCP. Lo presented a bid proposal from Ralph Stone Company Inc. to cleanup the Pemaco site. Biren informed Lo the Fire Department has seen four other bids for the removal of the hazardous waste. Lo stated he was unaware other environmental contractors were involved in the cleanup of the Pemaco site and John Hsu hired him last week to try to correct the problems. Biren informed Lo the purpose of the hearing was to review a contract and workplan to begin the cleanup procedures. The hearing was concluded by Robert Lo stating he needs to talk to John Hsu about the cleanup.

On July 28, 1992 Biren telephoned John Hsu and informed him the Department has not been able to resolve the problems at the Pemaco facility. Biren informed Hsu that representatives from this agency would like to meet with the owner of Lux Chemical, Lawrence Sze, at the next hearing on July 30, 1992.

On July 30 1992 a third administrative hearing was held with Jesse Howard. Present at the meeting were Richard Gillaspay, Gerry Munoz and Paul Biren of the HWCP. Howard stated he was the former accountant for Pemaco Inc., prior to the company's closure in April 1991. Biren informed Howard the Department was expecting Lawrence Sze, the owner of Lux Chemical. Howard stated John Hsu called him last week and asked him to take care of the problems at the Pemaco facility. Howard presented the department representatives with another bid for removal of the waste from Waste Consulting & Disposal Services. Biren stated to Howard the Department has seen numerous bids for disposal, however, John Hsu has never initiated any cleanup procedures at the site. The

hearing concluded by Howard stating the waste at the facility has been stored there since April of 1991 and he is very aware the chemicals present a hazard to the community. Howard stated he notified John Hsu back in April of 1991 regarding the accumulation of chemicals at the facility. Jesse Howard stated he is no longer employed by Lux Chemical and he is only acting as a consultant for John Hsu (see attached interview).

On August 5, 1992 at approximately 1100 hrs Biren contacted John Hsu by telephone to request permission to conduct an inspection of the Pemaco facility to obtain photographs and samples. Hsu told Biren he should contact Paul Herrera from Waste Consulting & Disposal Services regarding consent to go on the property. Biren explained to Hsu that Paul Herrera is not a legal representative of Lux Chemical International and he cannot grant consent. The telephone conversation ended with Hsu denying Biren consent to inspect the Pemaco facility.

On August 6, 1992 Biren contacted Jessie Howard to make arrangements to meet at the Pemaco site to conduct a inspection. Howard stated he has the keys to the property and is willing to meet with representatives of the Department to discuss the problem. Biren asked Howard if he had authority to allow him on the property. Howard stated he does not have the authority to give consent but he will contact John Hsu and request written permission to give consent for a inspection. At 1500 hrs Biren telephoned Howard to confirm whether consent was granted by John Hsu. Howard stated he has been trying to contact John Hsu all morning, but he was unsuccessful.

On August 11, 1992 at 0700 hrs, a search warrant was served at the Pemaco facility. Representatives from the Los Angeles County Fire Department HWCP and L.A. County District Attorney's Office entered the facility and began evaluating the chemical hazards. At approximately 0730 hrs Jesse Howard and Paul Herrera arrived at the facility. District Attorney Investigator Rod Vahovich served the warrant to Jessie Howard who stated he is acting as a representative for the company. Biren and Vahovich interviewed Jessie Howard and Paul Herrera of Waste Consulting & Disposal Services (see DAI report).

Biren began surveying the facility and observed approximately four hundred (400) 55-gallon drums and hundreds of five gallon containers scattered throughout the storage yard. Many of the 55-gallon drums were open, unlabeled, rusty, and some containers were leaking. The investigators observed spillage of a black oily substance along the west end of the facility adjacent to the bike path. At the

East end of the storage yard the soil was discolored and appeared to be contaminated from the overflow of materials. Kasman, assisted by McCarron and Torres obtained (13) samples from the drums in the storage yard. Tim Naprawa obtained photographs and videotape of the location. The samples were transported by Biren under chain of custody to the Los Angeles County Sanitation Districts Laboratory.

While the investigators were taking samples, Biren and Vahovich surveyed the warehouse with Jessie Howard and Paul Herrera. After entering the warehouse Biren observed that the 300 laboratory containers had been removed and the only material that was left was the hazardous waste which was stabilized and repackaged by Containerized Chemical Inc. Biren asked Howard what happened to the laboratory chemicals. Howard stated he really doesn't know, but he suspects John Hsu had the chemicals transported to Lux Chemical International in northern California.

At 1100 hrs Biren telephoned John Hsu and informed him a search warrant was served at the Pemaco facility. Hsu stated he didn't understand why the warrant was issued and he was in the process of removing the waste. Biren informed Hsu the reason the warrant was served is that Lux Chemical International has not been cooperating and has not removed the hazardous waste at the site. Biren asked John Hsu if Lux Chemical wanted split samples. Hsu ended the conversation by stating Paul Herrera is his environmental consultant and Biren should discuss the matter with Herrera. Biren discussed the situation with Herrera and asked him if he would accept the split samples. Herrera stated he didn't want to take responsibility for the samples.

At 1200 hrs, a Notice of Violation was issued to Lux Chemical International Inc to legally dispose all hazardous waste and was signed by Paul Herrera who stated he was acting as a agent for Lux Chemical International. The facility was secured by DAI Edward Saxton and investigators left the facility at 1230 hrs.

**COUNTY OF LOS ANGELES • FIRE DEPARTMENT
PREVENTION BUREAU
HAZARDOUS WASTE CONTROL PROGRAM
INVESTIGATIVE SECTION**

REPORT OF INVESTIGATION

REPORT PREPARED BY / INITIALS	DATE	LOG NUMBER
Jim McCarron HMS II	June 3, 1992	921691-063
SUSPECT NAME / ADDRESS	DATE OF INVESTIGATION	
PEMACO Products 5052 E. Slauson Maywood, CA 90270	May 28, 1992	

INTERVIEW KEITH MOORE

On Monday June 1, 1992, Jim McCarron and Alfonso Berumen of the Los Angeles County Fire Department Hazardous Waste Control Program interviewed Keith Moore, former sales representative for PEMACO Products. The interview was conducted at the PEMACO facility located at 5052 E. Slauson Maywood, CA 90270. Moore told McCarron that he worked for PEMACO as a sales representative from July, 1984 until he was layed off on April 30, 1991. Moore stated he worked for the previous owner of PEMACO Marie Richards of La Habra for two years before the company was sold to Lawrence Sze in July of 1984. Moore stated that PEMACO sold oil and solvents and did do some chemical blending on site.

Moore stated that he has a Bachelor of Science Degree in Chemistry and is the most knowledgeable of what chemicals are still left on site. Moore said that he was the one who segregated the drums that still remain at the PEMACO site. Moore stated that the drums left on site contain waste material that PEMACO could not sell as virgin product. Moore said that a few months before the business closed operations in April of 1991, there were fifty five gallon drums of virgin product on site stacked three high. Moore stated that there are five different types of chemicals still at the PEMACO facility. Inside the warehouse are the lab chemicals, in the yard are chlorinated solvents, aromatic solvents, (specifically xylene and toluene), flammable liquids and oil. Moore stated the chlorinated solvents that PEMACO sold are methylene chloride, perchloroethylene and 1,1,1-trichloroethane. Moore identified the fifty seven, fifty five gallon drums located at the west side of the property to be those containing chlorinated solvents. Moore stated that the PEMACO yard was in the same condition as

when he April of 1991 except for the staining on the concrete and the rusted condition of the drums. and that the staining of the concrete came from the run off of the overflowing open drums. ned this past winter.

Moore McCarroll that Lawrence Sze is the owner of PEMACO and has an office in Richmond, California. He stated that Sze's right hand man is John Hsu who also works out of the Richmond office. He stated that when PEMACO was getting ready to shut down operations, John Hsu was the person taking orders and making arrangements for the PEMACO, Maywood Facility. Moore said that to the best of his knowledge Sze never came to the Maywood facility but that Hsu had been there a couple of times. He stated that Min Gee, Vice President of LS Chemical had been there once last year before the facility ceased operations.

Moore He stated that Bill Head was the general manager of the PEMACO, Maywood facility the last year that it was in operation. Moore said Head was laid off one month before the rest of the PEMACO employees and Jesse Howard, the company accountant, was put in charge of the facility. Moore He stated that Ron Bell was the last chemist employed by PEMACO and was laid off in April, 1991. He stated that Bell now works for Angelus Chemical in Santa Fe Springs, CA.

Moore McCarroll that PEMACO took many bids for the removal of hazardous waste from the Maywood facility prior to its closure in April, 1991. Moore stated that all of the underground tanks were tested prior to PEMACO going out of business. Moore said that PEMACO had done testing for leaks in the underground tanks, which disclosed that there is sub surface contamination. Moore stated that Lawrence Sze and Marie Richards are presently in litigation concerning the leaking underground tank. At this point the conversation ended.

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REPORT OF INVESTIGATION

REPORT PREPARED BY / INITIALS	DATE	LOG NUMBER
Paul Biren HMS II	September 25, 1992	921691-063
SUSPECT NAME / ADDRESS	DATE OF INVESTIGATION	
PEMACO 5050 Slauson Blvd. Maywood, Calif. 90270	July 30, 1992	

INTERVIEW JESSIE HOWARD

On July 30, 1992 Jessie Howard appeared at a administrative hearing held at 2615 South Grand Avenue, Los Angeles, as a representative for Lux International Inc. Present at the meeting were Richard Gillaspy, Gerry Munoz and Paul Biren of the HWCP. Howard stated he was the accountant for Pemaco Inc. until September 1991. Howard continued and stated around April 1991 he was put in charge of closing down the facility. Howard stated Keith Moore the sales representative for Pemaco began evaluating and analyzing the waste to consolidate the chemicals and to sell some of the waste as wash thinner. Howard stated the wash thinner could be sold in bulk as a cleaning solvent. Howard produced documents that he mailed to John Hsu on April 30, 1991 indicating the need to establish a hazardous waste program to reduce their liability. Howard then provided a waste inventory sheet that was developed by Keith Moore and chemist John Quinn. The inventory sheet identified four hundred and eight 55-gallon drums as either hazardous waste or usable solvent. Howard stated after he notified John Hsu he began obtaining bids for disposal of the hazardous waste. Howard continued and told Biren that he was taking bids until September 1991. Howard also stated that the chemicals were never made into wash thinner and the conditions that exist at the Pemaco facility are the same as when he left the company in September 1991.

Howard stated at the hearing that he is no longer employed by Lux Chemical International and is only acting as consultant. Howard stated John Hsu called him last week and requested he attend the

hearing and help resolve the problems at the Pemaco facility. Biren asked Howard if John Hsu or Lawrence Sze ever came to the Pemaco facility. Howard stated he remembers seeing John Hsu maybe twice while he was working at the facility and he has never seen the owner Lawrence Sze. Biren asked Howard if he was aware of the seriousness of the problem, regarding the large volume of hazardous waste. Howard stated he is aware of the hazard the chemicals present and he notified John Hsu that the chemicals present a liability to Lux International. Howard presented bid for disposal of the waste from Waste Consulting and Disposal Services. Biren informed Howard that the Department has seen numerous bids for disposal, but Hsu has failed to cleanup the site. Howard concluded by stating he will get in touch with John Hsu and try to cleanup the Pemaco facility as soon as possible.

End